

**INSURANCE REGULATORY TRUST FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2003**

	January-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	<u>Allocation</u>				<u>Allocation</u>				<u>Allocation</u>							
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																
<i>Structured Growth</i>																
<i>AllianceBernstein</i>	11,609	1.3%	1.5%	-2.36%	10,783	1.3%	1.5%	2.89%	27,422	1.3%	1.5%	-13.54%	-13.14%	-28.65%	-16.80%	N/A
<i>Russell 1000 Growth</i>				-2.43%				7.15%				-15.05%	-11.18%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																
<i>LSV</i>	12,979	1.4%	1.5%	-2.66%	12,094	1.5%	1.5%	6.53%	29,716	1.5%	1.5%	-18.60%	-15.59%	2.41%	5.40%	N/A
<i>Russell 1000 Value</i>				-2.42%				9.22%				-18.77%	-13.43%	-8.96%	-2.92%	N/A
<i>S&amp;P 500 Index</i>																
<i>State Street</i>	60,467	6.7%	7.0%	-2.62%	56,333	7.0%	7.0%	8.41%	135,978	6.7%	7.0%	-17.26%	-12.65%	-18.03%	-9.27%	3.58%
<i>S&amp;P 500</i>				-2.62%				8.44%				-17.28%	-12.65%	-17.99%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	85,055	9.4%	10.0%	-2.60%	79,211	9.8%	10.0%	7.34%	193,116	9.5%	10.0%	-16.96%	-13.17%	-16.89%	-8.30%	3.74%
<i>S&amp;P 500</i>				-2.62%				8.44%				-17.28%	-12.65%	-17.99%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>																
<i>Manager-of-Managers</i>																
<i>SEI</i>	44,202	4.9%	5.0%	-2.62%	37,892	4.7%	5.0%	4.91%	100,039	4.9%	5.0%	-19.31%	-17.57%	-11.77%	N/A	N/A
<i>Russell 2000 + 200bp</i>				-2.60%				6.68%				-20.97%	-17.88%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	44,202	4.9%	5.0%	-2.62%	37,892	4.7%	5.0%	4.91%	100,039	4.9%	5.0%	-19.31%	-17.57%	-11.69%	2.22%	4.32%
<i>Russell 2000</i>				-2.77%				6.16%				-21.40%	-18.86%	-8.59%	1.67%	4.44%
<b>CONVERTIBLES</b>																
<i>TCW</i>	91,267	10.1%	10.0%	1.33%	79,189	9.8%	10.0%	8.15%	207,509	10.2%	10.0%	-10.05%	-1.43%	-20.37%	-2.22%	N/A
<i>First Boston Convertible Index</i>				2.58%				9.83%				-8.47%	3.12%	-12.44%	0.11%	N/A
<b>INTERNATIONAL EQUITY</b>																
<i>Large Cap - Active</i>																
<i>Capital Guardian</i>	78,175	8.7%	9.0%	-4.73%	71,640	8.9%	9.0%	7.30%	189,029	9.3%	10.0%	-20.58%	-18.81%	-12.10%	-2.96%	2.87%
<i>MSCI EAFE - 50% Hedged</i>				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-7.32%	-1.89%
<i>Small Cap - Value</i>																
<i>Lazard</i>	8,692	1.0%	1.0%	-3.04%	7,826	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX &lt; \$2BN</i>				-1.50%				N/A				N/A	N/A	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	86,866	9.6%	10.0%	-4.60%	79,466	9.9%	10.0%	7.81%	189,029	9.3%	10.0%	-20.58%	-18.32%	-12.10%	-2.96%	2.87%
<i>MSCI EAFE - 50% Hedged</i>				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-7.32%	-1.89%
<b>DOMESTIC FIXED INCOME</b>																
<i>Core Bond</i>																
<i>Western Asset</i>	142,082	15.8%	15.0%	0.85%	127,763	15.9%	15.0%	2.96%	341,638	16.8%	15.0%	3.51%	7.48%	8.36%	8.53%	7.80%
<i>Lehman Aggregate</i>				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%
<i>Index</i>																
<i>Bank of ND</i>	74,638	8.3%	9.0%	0.04%	67,775	8.4%	9.0%	1.65%	191,372	9.4%	9.0%	5.96%	7.74%	8.38%	7.79%	7.42%
<i>Bank of ND CD'S</i>	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
<b>Total Index</b>	74,638	8.3%	9.0%	0.04%	67,775	8.4%	9.0%	1.65%	191,372	9.4%	9.0%	5.96%	7.74%	8.14%	7.66%	7.30%
<i>Lehman Gov/Credit</i>				0.00%				1.73%				5.70%	7.52%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>																
<i>Strong</i>	56,797	6.3%	6.0%	0.36%	51,393	6.4%	6.0%	4.48%	135,452	6.7%	6.0%	3.08%	8.08%	N/A	N/A	N/A
<i>Lehman US Credit BAA</i>				0.54%				4.59%				2.70%	8.00%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	273,517	30.4%	30.0%	0.00%	246,931	30.7%	30.0%	2.89%	668,462	32.9%	30.0%	4.11%	7.68%	7.55%	7.88%	7.42%
<i>Lehman Gov/Credit</i>				0.00%				1.73%				5.70%	7.52%	8.24%	7.86%	7.47%
<b>CASH EQUIVALENTS</b>																
<i>Bank of ND</i>	319,539	35.5%	35.0%	0.12%	281,598	35.0%	35.0%	0.41%	673,375	33.1%	35.0%	0.48%	1.01%	2.41%	4.76%	4.99%
<i>90 Day T-Bill</i>				0.10%				0.43%				0.45%	0.98%	2.63%	4.68%	4.84%
<b>TOTAL INSURANCE REGULATORY TRUST</b>	900,447	100.00%	100.00%	-0.66%	804,285	100.00%	100.00%	3.80%	2,031,531	100.00%	100.00%	-4.35%	-1.37%	-1.97%	3.28%	5.80%
<i>POLICY TARGET BENCHMARK</i>				-0.55%				3.26%				-4.05%	-1.47%	-1.51%	2.76%	5.18%

NOTE: Monthly returns and market values are preliminary and subject to change.